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ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

Economic and Social Survey of Asia and the Pacific 2024
Boosting affordable and longer-term financing for governments

Expert Group Meeting
31st October – 2nd November 2023
Hybrid Format
Meeting Room H, United Nations Conference Centre, Bangkok, Thailand and on-line

Concept Note and Programme

A. Background

The *Economic and Social Survey of Asia and the Pacific* (*Survey*) *2023* highlighted that the region's public debt-to-GDP ratio reached an 18-year high in 2021. Along with higher public debt levels and a higher interest rate environment, interest payment burdens of Asia-Pacific governments have also increased due to the growing share of non-concessional borrowing from private investors. Indeed, the increase in net interest payments on public debt have outpaced that of public spending on education, healthcare and developmental investments.[1] Available information also points to the possibility of further policy interest rate hikes in major developed economies to combat persistent inflationary pressure, which may further increase the costs of servicing debts for many developing Asia-Pacific countries.

To confront the development financing challenges, in February 2023, the United Nations Secretary-General launched the "*SDG Stimulus to deliver the 2030 Agenda for Sustainable Development*", which underscores the systemic flaws in the global financial architecture including its short-term vision, propensity for crises, and role in widening socio-economic disparities.[2] The SDG Stimulus also emphasizes a dire need for immediate interventions, such as addressing rising debt servicing costs, scaling up affordable long-term development financing, and expanding contingency financing.

Given the urgency of the SDG Stimulus and that public debt distress is likely to remain a major macroeconomic policy challenge for developing Asia-Pacific countries in coming years, the Survey 2024 will continue to focus on fiscal and public debt challenges. In particular, it will examine a set of policy actions that can be taken by debtor countries in the region and the international community to reduce sovereign borrowing costs and increase the availability of long-term development financing for governments.

This Expert Group Meeting seeks to gather renowned experts, policymakers and stakeholders to discuss these issues and find a way forward. The collective expertise and experience of the participants will be invaluable in developing collaborative and coherent approaches along with impactful policies to ensure affordable and longer-term financing for the governments in developing Asia and the Pacific.

B. Objectives, structure and participation

This Expert Group Meeting has two main objectives:

[1] https://unctad.org/publication/world-of-debt/regional-stories
[2] https://www.un.org/sustainabledevelopment/wp-content/uploads/2023/02/SDG-Stimulus-to-Deliver-Agenda-2030.pdf

1. To peer-review draft chapters of the ESCAP flagship publication "*Economic and Social Survey of Asia and the Pacific 2024: Boosting affordable and longer-term financing for the governments".*

2. To engage with experts, policymakers and other development stakeholders on policy options to support governments to finance their SDG investments.

In addition to the opening session, there will be four substantive sessions. Session 1 will focus on the role of effective multilateral development cooperation for affordable and longer-term financing. Session 2 will analyse the medium-term implications of megatrends such as demographic shifts, climate change, technology and digitalization on fiscal policy conduct. Session 3 will discuss macroeconomic situation, prospects and policy issues. Finally, session 4 will examine domestic policy actions that developing Asia-Pacific countries, as debtors, can adopt to reduce government borrowing costs and boost long-term development financing. Each of these substantive sessions will contain two segments. The first segment will start with a presentation by ESCAP on the key messages of each chapter of the Survey 2024, followed by comments and suggestions by the experts. The second segment contains presentations by the experts on their relevant policy research work.

This meeting will be organized along with the fourth session of the Committee on Macroeconomic Policy, Poverty Reduction and Financing for Development of ESCAP, and will be conducted in English in a hybrid format with no simultaneous interpretation.

Target participants include government officials and experts on fiscal policy, public debt and development financing from leading think-tanks, academic institutions, private sector, non-governmental organizations, United Nations system, and other international development partners.

C. Contact persons

- Ms. Lin Zhuo, Economic Affairs Officer, Macroeconomic Policy and Analysis Section (MPAS), Macroeconomic Policy and Financing for Development Division (MPFD); zhuo@un.org

- Ms. Chawarin Klongdee**,** Research Assistant**,** MPAS/MPFD; klongdee@un.org

D. Meeting website

The final version of the concept note (including the programme), presentation slides and other materials are available on ESCAP website.

E. Programme

Day 1: Tuesday, 31 October 2023		
08:00 – 08:40	Reception Tea and Coffee	
08:40 – 09:00	**Opening Session** o Opening remarks (5 mins) o Keynote address (15 mins)	Moderator Mr. **Vatcharin Sirimaneetham** Chief, Macroeconomic Policy and Analysis Section, Macroeconomic Policy and Financing for Development Division, ESCAP Mr. **Hamza Ali Malik** Director, Macroeconomic Policy and Financing for Development Division, ESCAP Ms. **Chutatong Charumilind** Director, Fiscal Policy Research Institute Foundation, Thailand Mr. **Aladdin Rillo** Senior Economic Advisor, Economic Research Institute for ASEAN and East Asia (ERIA), Indonesia
09:00 – 11:00	**Session 1: Increasing affordable and long-term financing: role of effective development cooperation** In view of huge financing needs for SDG investments and a tightening global financing environment, in February 2023, the UN Secretary General outlined an ambitious reform agenda for international development cooperation in his *SDG Stimulus to Deliver Agenda 2030*. Building on this global agenda, this session first examines how metrics that go beyond traditional national income levels can be used in transforming the provision and allocation of concessional development financing. It then focuses on the role of the two key players --- multilateral development banks and credit rating agencies – in supporting more affordable and longer-term development financing.	Moderator Mr. **Sudyumna Dahal** Regional Public Finance Specialist, UNDP Bangkok Regional Hub
	Segment 1	

09:00 – 09:50	Increasing affordable and long-term financing: role of effective development cooperation Feedback on Chapter 4 draft Q&A	Ms. **Lin Zhuo** Economic Affairs Officer, Macroeconomic Policy and Financing for Development Division, ESCAP *Experts*
	Segment 2	
09:50 – 11:00	 Sovereign credit ratings in Africa and macroeconomic development Driving Operational and Financial Innovation among MDBs The Role of Operational and Financial Innovation in Boosting MDB Impact Promote Just through Development Finance	*Experts* Mr. **Aleksandr V. Gevorkyan** Henry George Chair in Economics and Associate Professor of Economics, Department of Economics and Finance, St. John's University, USA Mr. **Rodrigo Salvado** Director General, Operational Partnership Department, Asian Infrastructure Investment Bank (AIIB), China Mr. **Matt Eldridge** Senior Program Officer, Development Policy and Finance, Bill & Melinda Gates Foundation, USA Ms. **Hu Min** Principal and co-founder, Institute of Global Decarbonization Progress (iGDP), China
13:00-15:00	**Session 2: Fiscal policymaking in a changing economic, financial, and development context** The session discusses how some global megatrends are impacting and shaping economies and fiscal policy in Asia and the Pacific. The discussion highlights the key trends of demographic shifts, climate change, technology and digitalization, as well as factors in poverty and inequality. The analysis focuses on the impact channels of these trends on debt and fiscal policy. Furthermore, the discussion will underline key risks for fiscal policies related to the overall increase in macroeconomic uncertainty, rising geo-economic fragmentation, and elevated geopolitical tensions.	Moderator Ms. **Sabine Henning** Chief, Sustainable Demographic Transition Section, Social Development Division, ESCAP

	The session intends to touch on the assessment of common shortcomings in fiscal policy planning, and thus aims to fuel discussion on fiscal preparedness towards the changing development environment, with respect to its sustainability, efficiency, and impact on the 2030 Agenda.	
	Segment 1	
13:00 – 13:45	Fiscal policymaking in a changing economic, financial, and development context Feedback on Chapter 2 draft Q&A	Mr. **Michał Podolski** Associate Economic Affairs Officer, Macroeconomic Policy and Financing for Development Division, ESCAP *Experts*
	Segment 2	
13:45 –15:00	 Population aging and effects of fiscal policy Population aging, fiscal balance, and inflation Impact of digitalization on labour markets and implications for fiscal policies National Transfer Accounts [TBC]	*Experts* Mr. **Hiroaki Miyamoto** Professor of Economics and Business Administration, Tokyo Metropolitan University, Japan Mr. **Mitsuru Katagiri** Associate Professor. Faculty of Business Administration, Hosei University, Japan Mr. **Sher S. Verick** Head, Employment Strategies Unit, Employment Policy Department, ILO Ms. **Wassana Im-em** Technical Specialist on Population Development at the UNFPA
Day 2: Wednesday, 1 November 2023		
12:00 – 14:00	**Session 3: Macroeconomic prospects, challenges and policies** This session will review and discuss the latest macroeconomic developments, expected outlook, and emerging challenges in the Asia-Pacific region for 2023-2024. Policies that can help address these macroeconomic challenges will also be discussed.	 Moderator Mr. **Ken C. Shawa** Head/Senior Economist, Regional Economic and Social Analysis Unit, ILO Regional Office for Asia and the Pacific
	Segment 1	

12:00 – 12:45	Macroeconomic prospects, challenges and policies Feedback on Chapter 1 draft Q&A	Mr. **Shuvojit Banerjee** Economic Affairs Officer, Macroeconomic Policy and Financing for Development Division, ESCAP Ms. **Kiatkanid Pongpanich** Senior Researcher, Macroeconomic Policy and Financing for Development Division, ESCAP *Experts*
	Segment 2	
12: 45 – 14:00	**Macroeconomic developments and challenges in Asia-Pacific** Accounting for women: Mapping gender impacts of macroeconomic policy The Economic Impact of the Russian Invasion of Ukraine on the Caucasus and Central Asia: Short-Term Benefits and Long-Term Challenges ASEAN+3 Regional Economic Outlook (AREO) – October 2023 Update State of Pakistan Economy, Issues and Challenges Economic Perspectives and Challenges in Emerging Asia: Based on OECD Economic Outlook for Southeast Asia, China and India 2023 and Update	*Experts* Ms. **Melissa Langworthy** ESCAP Consultant and Economist on Gender and Sustainability Mr. **Jules Hugot** Economist, Macroeconomics Research Division, Economic Research and Development Impact Department, ADB Mr. **Allen Ng** Group Head and Principal Economist, Regional Surveillance Group, AMRO, Singapore Mr. **Hasan Muhammad Mohsin** Chief of Macroeconomic Section, Ministry of Planning, Development and Special Initiatives, Pakistan Mr. **Kensuke Molnar-Tanaka** Head of Asia Desk, OECD Development Centre
Day 3: Thursday, 2 November 2023		
07:30 – 08:00	Reception Tea and Coffee	
08:00 – 10:00	**Session 4: Increasing affordable and long-term financing: domestic policy actions by debtor countries.** Long-term and affordable financing is indispensable for shielding Asia-Pacific	 Moderator Ms. **Radhika Lal**

	countries from debt rollover risks and chronic debt distress and supporting their pursuit of the SDGs. In view of the already heightened debt burdens and potentially higher future borrowing costs, it is an urgent policy issue for Asia-Pacific developing countries to dig deeper into their fiscal potentials and promote domestic supply of long-term and affordable financing. Specific focus will be put on tax potentials of Asia-Pacific developing countries, non-tax public revenue mobilization, boosting domestic savings, and public asset management.	SDG Finance Policy Advisor, UNDP Bangkok Regional Hub
	Segment 1	
08:00 – 08:20	Increasing affordable and long-term financing: domestic policy actions by debtor countries.	Mr. **Zheng Jian** Economic Affairs Officer, Macroeconomic Policy and Financing for Development Division, ESCAP
	Segment 2	
08:20 – 10:00		*Experts*
	Priorities for Strengthening Key Revenue Sources in Asia	Mr. **Sanjeev Gupta** Senior Fellow Emeritus, Center for the Global Development and Senior Fellow, African Center for Economic Transformation
	Infrastructure asset management to unlock financial resources for sustainable development	Mr. **Daniel Platz** Senior Economic Affairs Officer, Financing for Sustainable Development Office, UN-DESA
	Leveraging non-tax revenues: the prospect of land value capture	Mr. **Baoyun Qiao** Dean, China Academy of Public Finance and Public Policy, Central University of Finance and Economics, China
	Tax morale and tax compliance: past lessons and policy options	Mr. **Joseph Stead** Senior Policy Analyst, Global Relations and Development, OECD